13 December 1973

MEMORANDUM FOR: Chairman, Security Committee

SUBJECT : Proposed New DCID 1/11
"Security Committee"

1. Submitted for your attention is the rewritten draft of
DCID 1/11, "Security Committee" which was remanded to the
Committee by the DCI for review and resubmission to USIB.

2. We felt that some effort should be directed toward
clarifying the reasons for current interest in the Security
Committee as well as explaining the intended interpretation of
what we drafted. Accordingly, we have prepared and attached
explanatory notes and various pertinent documents.

3. There is no claim that we have the "perfect" solution
or a "final" answer. But we feel the Security Committee can live
with this charter while the role of the Committee is evolved and
more clearly defined by experience.

4. It is recommended that this draft and supporting materials
be provided to Members of the Security Committee at the 18 December
meeting. Members should be asked to submit written comments
or approval by 4 January so that a final version can be prepared for
the January meeting of the Security Committee. The Security
Committee should strive to have an agreed-on charter for presen-
tation to the Board by the middle of January 1974.

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Chief, Special Security Center

Attachments

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INTELLIGENCE COMMUNITY SECURITY PROBLEMS:
A SUMMARY REPORT
24 September 1973

A.   PURPOSE

1. To stimulate intelligence community action on security
policies and procedures to achieve optimum use of intelligence
products without forfeiting adequate security protection of
intelligence and intelligence sources and methods.

B.   INTRODUCTION

2. Policies and procedures for supervising the dissemination
and security of intelligence materials and protecting intelligence
sources and methods have been developed at different times and
under different authorities since World War II. Presently they
are administered by fragmented and dispersed authorities, lack
consistency in application, may arbitrarily limit the flow of
sensitive information to community producers with a need to know,
and may be internally inconsistent with other guiding directives and
regulations on the books.

2. These problems are most apparent in the various compartmentation
systems and in procedures for controlling release of intelligence to
foreign governments. The middle and senior level man years spent
in accommodating to or administering the various security systems
in the community are incalculable at this time but certainly represent
an inefficient use of resources and an inhibiting factor in improving
the quality, scope and timeliness of the community's product.

3. While the USIB Security Committee would appear to be a logical
focus for handling of problems relating to compartmented intelligence
and release of intelligence to foreign governments, such is not within
its presently assigned mission and the committee is not staffed to
deal with such responsibilities. The Security Committee chairman also
has a full-time assignment as Director of Security, CIA. The committee
has only two full-time personnel, one professional and one clerical.

4. The USIB Committee Survey Task Group Report, August 1973,
noted that aside from its activities in the investigations of "leaks"
of intelligence to public media, the Security Committee appears to be
a rather inactive organ. Its one subordinate element, the Computer
Security Sub-Committee, is involved with a community issue which
appears to be more closely related to the USIB Intelligence Information
Handling Committee (IHC) concerns and communications issues than to
the Security Committee problem area.

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C. COMPARTMENTATION

5. The intelligence community's vastly increased technological capabilities have resulted in a commensurate increase in the volume of compartmented intelligence and intelligence information. The present compartmentation systems, however, were designed to handle smaller and simpler situations. As they have grown to accommodate new collection systems and an increasing volume of products, they are reaching the point of near impracticality and may prove even more limiting as the community moves into near-real-time readout reporting systems.

6. Two factors deserving of attention are those of costs and mutual reinforcement.

a. There are costly differences in many functional areas of concern; e.g., determination of personnel access, physical security standards, document and communications controls, dissemination limitations, and sanitization and decontrol measures.

b. Compartmentation and classification systems are not always mutually reinforcing. Materials which are compartmented in a system intended to deal only with substantive information can and sometimes do reveal operational capabilities which are intended to be protected by a separate operational compartmentation.

7. The DCI and the USIB are acting to resolve some of these problems. Action is underway to obtain Presidential approval for changes which will enable use of "the fact of" photo satellite reconnaissance at the SECRET level as source attribution and will remove certain products from the T-KH compartment for use at the TOP SECRET/NOFORN or SECRET/NOFORN level.

8. Present directives, regulations and manuals do not set forth a clear and comprehensive statement of policy concerning the objectives and criteria for the compartmentation of sensitive intelligence and intelligence information in proper balance with consumer and management needs.

9. The need to maintain on-going operational compatibility with general practice under existing community-wide compartmentation systems limits the scope of changes in practice which any single department or agency can effect unilaterally in its own behalf. Community action will be needed to improve the situation.

10. Compartmentation systems need to be brought up-to-date to meet the new demands the intelligence community will be facing for the timely processing, reporting and use of sensitive information

which will result from the new and continuing high-volume collection sources in the foreseeable future.

11. Suggested actions include:

a. A review of sensitive intelligence sources and methods, and information from them or derived from them, which warrant protection from unauthorized disclosure additional to that provided by classification controls under E.O. 11652 and dissemination controls under DCID 1/7.

b. Formulation of "need to know" criteria for personnel access to such materials.

c. Centralization of responsibility and authority to develop and administer controls and procedures for protecting compartmented intelligence and intelligence information.

d. Updating of guidance documents establishing and controlling the compartmentation of intelligence and intelligence information.

e. Simplification of dissemination procedures for compartmented information, including packaging and distribution methods and possible consolidation of separate registeries.
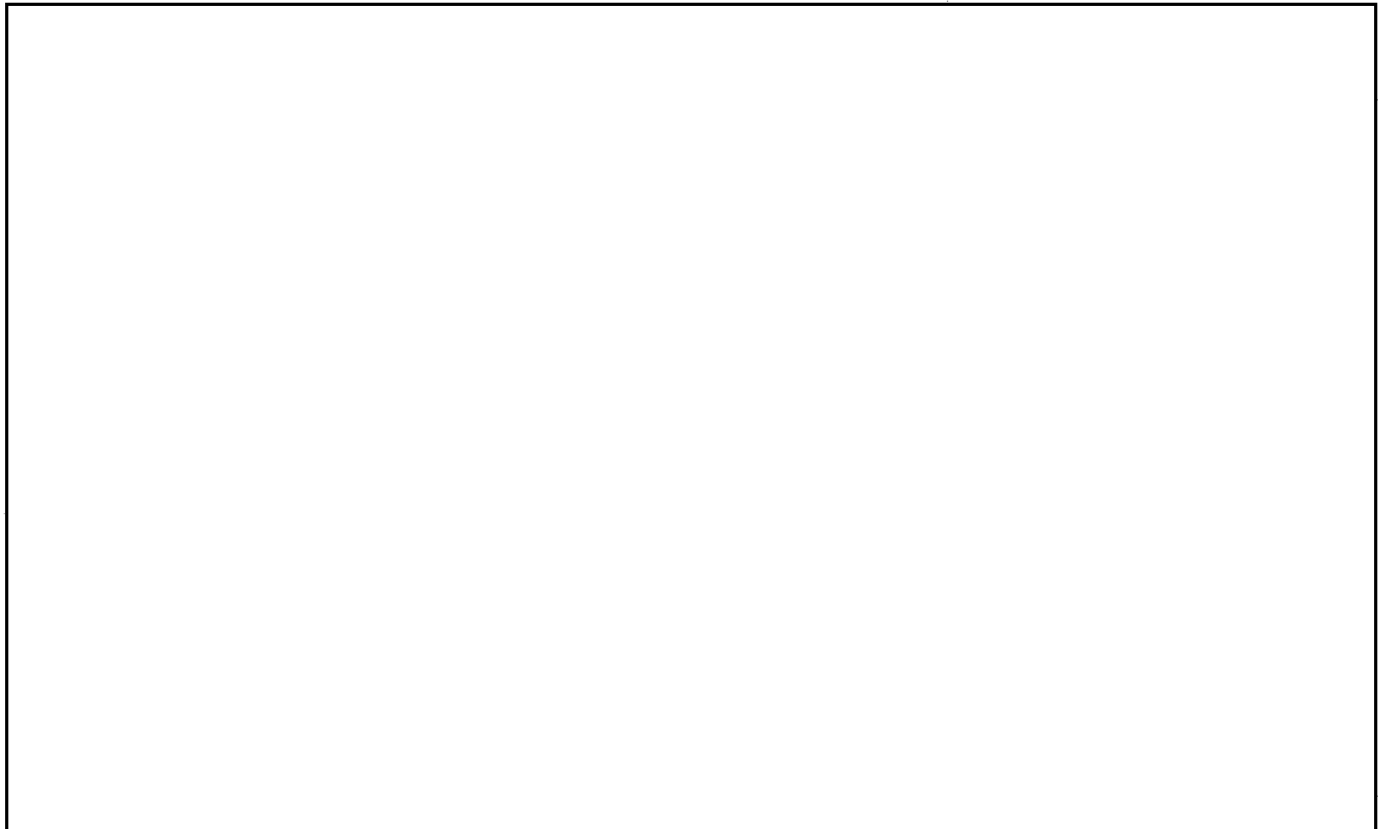
f. Formulation and approval of a single system for compartmenting intelligence and intelligence information, by category, as appropriate.

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F.   CONCLUSIONS

20.   Restrictive and outmoded intelligence community security policies and procedures are an impediment to DCI efforts to improve the quality, scope and timeliness of the community's product and to achieve a more efficient use of resources involved in the handling of compartmented information.

21.   Presently there is no centralized body in the intelligence community with the authority to address community-wide security problems of broad scope, to conduct the studies required, and to formulate and monitor the implementation of new security procedures adequate to manage and use the high volume of new intelligence information anticipated in the foreseeable future.

22.   Meeting the need for competent professional support and community involvement to carry out these tasks can be facilitated through the establishment of a reconstituted USIB Security Committee with a full-time chairman and requisite full-time staff, and broader functions than are assigned to the present committee.

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23. The mission and activities of the TSCC could logically be assigned to the reconstituted Security Committee.

G. RECOMMENDATIONS

24. It is recommended that:

    a. The USIB Security Committee be reconstituted and reorganized with a full-time Chairman and appropriate full-time staff.

    b. The new Security Committee be tasked to formulate and recommend to the DCI new policies and procedures to resolve the problems cited in this report and such other security problems as may be brought to its attention by the USIB or the DCI, and be delegated authority requisite to the fulfillment of its responsibilities.

    c. DCID 1/11, "Security Committee," effective 23 April 1965, and [ ], be rescinded and replaced by a new DCID which defines the mission and functions of a new USIB Security Committee having responsibilities in the fields of intelligence compartmentation, release of intelligence to foreign governments, and technical surveillance counter-measures, in addition to the responsibilities of the present Security Committee.

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